

**MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2014
With Supplemental Information Schedules**

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

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MOREHOUSE PARISH CLERK OF COURT
 Bastrop, Louisiana
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Independent Auditor's Report

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Morehouse Parish Clerk of Court, a component unit of the Morehouse Parish Police Jury, as of June 30, 2014, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Morehouse Parish Clerk of Court's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Morehouse Parish Clerk of Court's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Independent Auditor's Report,

June 30, 2014

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Morehouse Parish Clerk of Court as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 31 through 32, and the schedule of funding progress for the retiree healthcare plan on page 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Morehouse Parish Clerk of Court's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The supplemental information schedules listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
Independent Auditor's Report,
June 30, 2014

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 9, 2014, on my consideration of the Morehouse Parish Clerk of Court's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Morehouse Parish Clerk of Court's internal control over financial reporting and compliance.



West Monroe, Louisiana
December 9, 2014

REQUIRED SUPPLEMENTARY INFORMATION
PART I

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

Management's Discussion and Analysis
June 30, 2014

As management of the Morehouse Parish Clerk of Court, I offer readers of the Morehouse Parish Clerk of Court's financial statements this narrative overview and analysis of the financial activities of the Morehouse Parish Clerk of Court for the fiscal year ended June 30, 2014. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Clerk's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Clerk of Court's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Morehouse Parish Clerk of Court's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Morehouse Parish Clerk of Court's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Morehouse Parish Clerk of Court is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Morehouse Parish Clerk of Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Morehouse Parish Clerk of Court can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Morehouse Parish Clerk of Court adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Morehouse Parish Clerk of Court's programs, fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Morehouse Parish Clerk of Court's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Morehouse Parish Clerk of Court exceeded liabilities by \$1,162,169. Approximately 2% of the Morehouse Parish Clerk of Court's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Morehouse Parish Clerk of Court to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET POSITION
Governmental Funds

	2014	2013
ASSETS		
Cash and cash equivalents	\$1,742,557	\$1,921,027
Receivables	26,908	22,825
Capital assets (net of accumulated depreciation)	24,526	10,129
TOTAL ASSETS	<u>\$1,793,991</u>	<u>\$1,953,981</u>
LIABILITIES		
Accounts payable	\$7,446	\$7,998
Withholdings payable	1,262	3,303
Net OPEB obligation	623,114	571,377
TOTAL LIABILITIES	<u>631,822</u>	<u>582,678</u>
NET POSITION		
Invested in capital assets, net of related debt	24,526	10,129
Unrestricted	<u>1,137,643</u>	<u>1,361,174</u>
TOTAL NET POSITION	<u>\$1,162,169</u>	<u>\$1,371,303</u>

STATEMENT OF ACTIVITIES

	2014	2013
Judicial:		
Personal services	\$774,668	\$743,608
Operating services	161,099	162,864
Materials and supplies	18,374	16,720
Travel	48,475	36,349
Depreciation expense	9,733	5,373
Total Program Expenses	<u>1,012,349</u>	<u>964,914</u>
Program revenues:		
License and permits - marriage	3,700	3,950
Clerk's supplemental compensation	21,000	21,000
Court cost, fees, and charges	209,747	230,082
Fees for recording legal documents	225,201	220,742
Fees for certified copies of documents	78,944	69,310
Criminal fees	26,368	46,076
UCC fees	74,121	74,365
Other fees	108,467	112,374
Bond forfeitures	2,001	2,190
Total program revenues	<u>749,549</u>	<u>780,089</u>
Net Program Expenses	<u>(262,800)</u>	<u>(184,825)</u>
General revenues:		
Grants and contributions not restricted to specific programs:		
State grant	8,726	
Interest earned	3,294	10,698
Other	11,646	17,126
Total general revenues	<u>23,666</u>	<u>27,824</u>
Change in Net Position	<u>(239,134)</u>	<u>(157,001)</u>
Net Position - Beginning of year	<u>1,371,303</u>	<u>1,528,304</u>
Net Position - End of year	<u>\$1,132,169</u>	<u>\$1,371,303</u>

Financial Analysis of the Government's Funds

As noted earlier, the Morehouse Parish Clerk of Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2014, the General Fund unreserved, undesignated fund balance of \$1,760,757 showed a decrease of \$171,794 over June 30, 2013.

General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget were due primarily to the decreases in court costs, fees, and charges, fees for recording, criminal fees, other fees, use of money and property and other revenues. The differences in the expenditures of the original budget and the final budget was due to an increase in operating services, travel and other charges, and capital outlay and decrease in personal services.

Capital Asset and Debt Administration

Capital assets. The Morehouse Parish Clerk of Court's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$24,526 (net of accumulated depreciation). This investment includes furniture and equipment. The increase in capital assets for the year were \$24,130. There were no deletions for the year.

Long-term debt. The Morehouse Parish Clerk of Court contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the clerk's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at June 30, 2014 is \$623,114.

Requests for Information

This financial report is designed to provide a general overview of the Morehouse Parish Clerk of Court's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Morehouse Parish Clerk of Court, Courthouse Building, Bastrop, LA 71220.

December 9, 2014

BASIC FINANCIAL STATEMENTS

MOREHOUSE PARISH CLERK OF COURT
Bastrop, LouisianaSTATEMENT OF NET POSITION
June 30, 2014**ASSETS**

Cash and cash equivalents	\$1,742,557
Receivables	26,908
Capital assets (net of accumulated depreciation)	<u>24,526</u>
TOTAL ASSETS	<u>\$1,793,991</u>

LIABILITIES

Accounts payable	\$7,446
Withholdings payable	1,262
Net OPEB obligation	<u>623,114</u>
TOTAL LIABILITIES	<u>631,822</u>

NET POSITION

Invested in capital assets, net of related debt	24,526
Unrestricted	<u>1,137,643</u>
TOTAL NET POSITION	<u>\$1,162,169</u>

The accompanying notes are an integral part of this statement.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

STATEMENT OF ACTIVITIES
June 30, 2014

Judicial:	
Personal services	\$744,668
Operating services	161,099
Materials and supplies	18,374
Travel	48,475
Depreciation expense	9,733
Total Program Expenses	<u>982,349</u>
Program revenues:	
License and permits - marriage	3,700
Clerk's supplemental compensation	21,000
Court cost, fees, and charges	209,747
Fees for recording legal documents	225,201
Fees for certified copies of documents	78,944
Criminal fees	26,368
UCC fees	74,121
Other fees	108,467
Bond forfeitures	2,001
Total program revenues	<u>749,549</u>
Net Program Expenses	<u>(232,800)</u>
General revenues	
Grants and contributions not restricted to specific programs:	
State grant	8,726
Interest earned	3,294
Other	11,646
Total general revenues	<u>23,666</u>
Change in Net Position	(209,134)
Net Position - Beginning of year	<u>1,371,303</u>
Net Position - End of year	<u>\$1,162,169</u>

The accompanying notes are an integral part of this statement.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2014

ASSETS

Cash and cash equivalents	\$1,742,557
Receivables	<u>26,908</u>
TOTAL ASSETS	<u>\$1,769,465</u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$7,446
Withholdings payable	1,262
Fund Equity - fund balances - unassigned	<u>1,760,757</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,769,465</u>

The accompanying notes are an integral part of this statement.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended June 30, 2014

Total Fund Balances - Governmental Funds (Statement C)		<u>\$1,760,757</u>
Cost of capital assets	\$261,603	
Less: Accumulated depreciation	<u>(237,077)</u>	<u>24,526</u>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		<u>(623,114)</u>
Net Position (Statement A)		<u><u>\$1,162,169</u></u>

The accompanying notes are an integral part of this statement.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,
and Changes in Fund Balances

For the Year Ended June 30, 2014

REVENUES

Licenses and permits - marriage	\$3,700
Intergovernmental revenues - state funds:	
Clerk's supplemental compensation	21,000
Other state grant	8,726
Fees, charges, and commissions for services:	
Court costs, fees, and charges	209,747
Fees for recording legal documents	225,201
Fees for certified copies of documents	78,944
Criminal fees	26,368
UCC fees	74,121
Other	108,467
Bond forfeitures	2,001
Use of money and property - interest earnings	3,294
Other	11,646
Total revenues	<u>773,215</u>

EXPENDITURES

Current:

General government - judicial:	
Personal services	692,931
Operating services	161,099
Materials and supplies	18,374
Travel and other charges	48,475
Capital outlay	24,130
Total expenditures	<u>945,009</u>

**EXCESS (Deficiency) OF REVENUES
OVER EXPENDITURES**

(171,794)

FUND BALANCES AT BEGINNING OF YEAR

1,932,551

FUND BALANCES AT END OF YEAR

\$1,760,757

The accompanying notes are an integral part of this statement.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2014

Total net change in fund balances - governmental funds (Statement D)	(\$171,794)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	14,397
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Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	<u>(51,737)</u>
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Change in net position of governmental activities (Statement B)	<u><u>(\$209,134)</u></u>
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The accompanying notes are an integral part of this statement.

Statement E

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2014

	ADVANCE DEPOSIT	REGISTRY OF COURT	NON SUPPORT	TOTAL
ASSETS				
Cash and cash equivalents	\$853,396	\$330,685		\$1,184,081
Receivables	6,465		\$1,584	8,049
TOTAL ASSETS	<u>\$859,861</u>	<u>\$330,685</u>	<u>\$1,584</u>	<u>\$1,192,130</u>
LIABILITIES				
Accounts payable			\$263	\$263
Due to Others	\$859,861	\$330,685	1,321	1,191,867
TOTAL LIABILITIES	<u>\$859,861</u>	<u>\$330,685</u>	<u>\$1,584</u>	<u>\$1,192,130</u>

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

The accompanying financial statements of the Morehouse Parish Clerk of Court have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Morehouse Parish Police Jury is the financial reporting entity for Morehouse Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Morehouse Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Morehouse Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Morehouse Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The clerk of court's basic financial statements include both government-wide (reporting the clerk of court as a whole) and fund financial statements (reporting the clerk's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the clerk are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the clerk, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The clerk first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the clerk's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the clerk's general revenues.

Allocation of Indirect Expenses - The clerk reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the clerk are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

Governmental Fund Type

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the clerk of court and is used to account for the operations of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

Fiduciary Fund Type - Agency Funds

The Advance Deposit, Registry of Court and Non Support Expense agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are recorded in the year in which they are earned.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above criteria, intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CASH AND CASH EQUIVALENTS

Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2014, the clerk of court has cash and cash equivalents (book balances) totaling \$2,926,638.

Petty Cash	\$170
Demand deposits	2,006,468
Time deposits	<u>920,000</u>
Total	<u>\$2,926,638</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2014, are secured as follows:

Bank Balances	<u>\$2,995,877</u>
Federal deposit insurance	\$1,825,427
Pledged securities (uncollateralized)	<u>2,744,327</u>
Total	<u>\$4,569,754</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the clerk, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the clerk's name.

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The clerk maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the clerk, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

G. ANNUAL AND SICK LEAVE

All employees of the clerk of court's office earn from 5 to 20 days of vacation leave each year, depending on length of service. Vacation leave must be taken during the year earned and cannot be carried forward to the following year. All employees of the clerk's office earn five days of sick leave annually. A maximum of 420 hours (60 days) sick leave may be accumulated and carried forward to the succeeding calendar year. Employees are not paid for accumulated sick leave upon termination of employment.

H. RISK MANAGEMENT

The clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering professional liability and surety bond coverage. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2014.

2. RECEIVABLES

The receivables of \$34,957 as of June 30, 2014, are as follows:

<u>Class of Receivables</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Appropriation from State		\$1,584	\$1,584
Suits and successions		6,465	6,465
Fees, charges, and commissions for services:			
Recordings, Cancellations, Mortgages, etc.	\$22,375		22,375
Court Attendance	720		720
Criminal Fees	267		267
Salary Reimbursement	3546		3,546
Total	<u>\$26,908</u>	<u>\$8,049</u>	<u>\$34,957</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

Balance, June 30, 2013	\$237,473
Additions	24,130
Deletions	NONE
Balance, June 30, 2014	261,603
Less accumulated depreciation	(237,077)
Net Capital Assets	<u>\$24,526</u>

4. PENSION PLAN

Substantially all employees of the Morehouse Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Morehouse Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 18.50 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Morehouse Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Morehouse Parish Clerk of Court's contributions to the System for the years ending June 30, 2014, 2013, and 2012, were \$89,843, \$81,389, and \$83,845, respectively, equal to the required contributions for each year.

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Morehouse Parish Clerk of Court's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental, vision and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.

Funding Policy. The contribution requirements of plan members and the Morehouse Parish Clerk of Court are established and may be amended by the LCCIT board of trustees. The Morehouse Parish Clerk of Court pays for the entire premium charged by the LCCA for retirees. Retirees are required to pay 50% of the premium for their dependents. For fiscal year 2014, the Morehouse Parish Clerk of Court contributed \$52,226 to the plan and the retirees contributed \$2,447.

Annual OPEB Cost and Net OPEB Obligation. For 2014, the Morehouse Parish Clerk of Court's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Morehouse Parish Clerk of Court's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Morehouse Parish Clerk of Court's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$113,981
Interest on net OPEB obligation	19,998
Adjustment to annual required contribution	(30,016)
Annual OPEB cost (expense)	103,963
Contributions made	(52,226)
Increase in net OPEB obligation	51,737
Net OPEB obligation at beginning of year	571,377
Net OPEB obligation at end of year	<u>\$623,114</u>

The Morehouse Parish Clerk of Court's annual OPEB costs, the percentage annual OPEB cost contributed to the plan, and the net OPEB obligations are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	\$104,919	48.1%	\$571,377
June 30, 2014	\$103,963	50.2%	\$623,114

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

Funded Status and Funding Progress. As of June 30, 2014, the actuarial accrued liability for benefits was \$1,164,970, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$458,260, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 254.22%.

The projection of future benefit payments for an ongoing plan involves estimates of the values of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the unit credit cost method was used. Based on the Morehouse Parish Clerk of Court's short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5.5% after 15 years. The Morehouse Parish Clerk of Court's unfunded actuarial liability is being amortized on a level dollar, open basis over 30 years.

6. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances deposits due others follows:

	Advance Deposit Fund	Registry of Court Fund	Non Support Fund	Total
Balance, June 30, 2013	\$832,785	\$388,869	\$4,485	\$1,226,139
Additions	405,064	184,094	30,584	619,742
Deletions	(377,988)	(242,278)	(33,748)	(654,014)
Balance June 30, 2014	<u>\$859,861</u>	<u>\$330,685</u>	<u>\$1,321</u>	<u>\$1,191,867</u>

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

7. LITIGATION AND CLAIMS

The Morehouse Parish Clerk of Court is not involved in any litigation at June 30, 2014, nor is she aware of any unasserted claims.

**8. EXPENDITURES OF THE CLERK OF COURT
PAID BY THE POLICE JURY**

The Morehouse Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Morehouse Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended June 30, 2014

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
License and permits-marriage	\$4,000	\$4,000	\$3,700	(\$300)
Intergovernmental revenues - state funds:				
Clerk's supplemental compensation	21,000	21,000	21,000	
Other state grant			8,726	8,726
Fees, charges, and commissions for services:				
Court costs, fees, and charges	253,000	208,950	209,747	797
Fees for recording legal documents	226,000	218,752	225,201	6,449
Fees for certified copies of documents	80,000	76,500	78,944	2,444
Criminal fees	59,000	28,650	26,368	(2,282)
UCC fees	85,000	70,400	74,121	3,721
Other	143,500	117,795	108,467	(9,328)
Bond forfeitures	2,500	2,000	2,001	1
Use of money and property - interest earnings	30,000	3,600	3,294	(306)
Other	15,000	11,650	11,646	(4)
Total revenues	<u>919,000</u>	<u>763,297</u>	<u>773,215</u>	<u>9,918</u>
EXPENDITURES				
Current:				
General government - judicial				
Personal services and related benefits	715,320	699,123	692,931	6,192
Operating services	150,763	157,892	161,099	(3,207)
Materials and supplies	15,200	14,970	18,374	(3,404)
Travel and other charges	35,093	48,393	48,475	(82)
Capital outlay	2,000	20,959	24,130	(3,171)
Total expenditures	<u>918,376</u>	<u>941,337</u>	<u>945,009</u>	<u>(3,672)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	624	(178,040)	(171,794)	6,246
FUND BALANCE AT BEGINNING OF YEAR	<u>2,032,404</u>	<u>1,932,551</u>	<u>1,932,551</u>	<u>NONE</u>
FUND BALANCE AT END OF YEAR	<u><u>\$2,033,028</u></u>	<u><u>\$1,754,511</u></u>	<u><u>\$1,760,757</u></u>	<u><u>\$6,246</u></u>

See accompanying note to budgetary comparison schedule.

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2014

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Morehouse Parish Clerk's office during the month of June for comments from taxpayers. The budget is then legally adopted by the clerk and amended during the year, as necessary. The budget is established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

**Morehouse Parish Clerk of Court
Retiree Healthcare Plan
June 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	\$0	\$2,147,612	\$2,147,612	0.00%	\$443,507	484.23%
June 30, 2012	\$0	\$1,164,970	\$1,164,970	0.00%	\$455,333	255.85%

Note:

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations. Because the requirements of GASB 45 were implemented starting with the year ended June 30, 2010, only two valuations are available. Additional information will be added after the next valuation. Subsequent to that, information will be presented for the latest three valuations.

OTHER SUPPLEMENTARY INFORMATION

PART III

MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2014

FIDUCIARY FUND TYPE - AGENCY FUNDS

ADVANCE DEPOSIT FUND

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

REGISTRY OF COURT FUND

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgement has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

NON SUPPORT FUND

The Non Support Fund accounts for the collection and distribution of child support obligations and the assessment and remittance of a five per cent fee on the child support payments.

MORRIS PARISH CLERK OF COURT
Bastrop, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2014

	ADVANCE DEPOSIT FUND	REGISTRY OF COURT FUND	NON SUPPORT FUND	TOTAL
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	<u>\$832,785</u>	<u>\$388,869</u>	<u>\$4,485</u>	<u>\$1,226,139</u>
ADDITIONS				
Appropriations from State			30,582	30,582
Deposits in suits	405,064	183,860		588,924
Interest earned on investments		234	2	236
Total additions	<u>405,064</u>	<u>184,094</u>	<u>30,584</u>	<u>619,742</u>
Total	<u>1,237,849</u>	<u>572,963</u>	<u>35,069</u>	<u>1,845,881</u>
REDUCTIONS				
Clerk's costs to General Fund	202,467		29,667	232,134
Deposits settled to:				
Litigants	102,015	242,278		344,293
Appraisers, curators, and keepers	8,078			8,078
Sheriff	36,081		4,081	40,162
Other reductions	29,347			29,347
Total reductions	<u>377,988</u>	<u>242,278</u>	<u>33,748</u>	<u>654,014</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u>\$859,861</u>	<u>\$330,685</u>	<u>\$1,321</u>	<u>\$1,191,867</u>

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

**MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana**

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Morehouse Parish Clerk of Court, a component unit of the Morehouse Parish Police Jury as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Morehouse Parish Clerk of Court's basic financial statements, and have issued my report thereon dated December 9, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Morehouse Parish Clerk of Court's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Morehouse Parish Clerk of Court's internal control. Accordingly, I do not express an opinion on the effectiveness of the Morehouse Parish Clerk of Court's internal control.

A deficiency in internal control exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

MOREHOUSE PARISH CLERK OF COURT

Bastrop, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2014

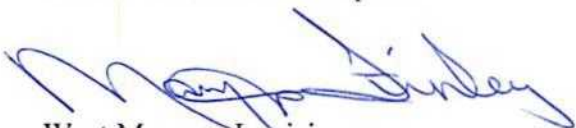
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Morehouse Parish Clerk of Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Morehouse Parish Clerk of Court's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Morehouse Parish Clerk of Court's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

December 9, 2014

**MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana**

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2014**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Morehouse Parish Clerk of Court.
2. No instances of noncompliance material to the financial statements of the Morehouse Parish Clerk of Court was disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**MOREHOUSE PARISH CLERK OF COURT
Bastrop, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2014**

There were no findings reported in the audit report for the year ended June 30, 2013.